REMARKS

Claims 1-17 are all the claims pending in the application.

I. Claim Rejections Under 35 U.S.C. § 112(2nd):

The Examiner rejects <u>claims 1-17</u> under 35 U.S.C. § 112(2nd) because the claims recite numerous "devices" and "modules" followed by functional language, and therefore it is allegedly unclear whether the functional limitations limit the claims. Applicant respectfully disagrees with this rejection.

MPEP 2173.01 indicates that a fundamental principle contained in §112(2nd) is that applicants are their own lexicographers. They can define in the claims what they regard as their invention essentially in whatever terms they choose so long as the terms are not used in ways that are contrary to accepted meanings in the art. Further, applicants may use functional language or any style of expression or format of claim which makes clear the boundaries of the subject matter for which protection is sought. In this case, the Examiner has not pointed out any specific language that is confusing or unclear. Further, the specification explains in great detail the structural and functional cooperation among the various elements of the claimed invention. Notwithstanding, and as a path of least resistance, Applicant rewrites many claim limitations in a means plus function format.

II. Allowable Subject Matter:

The Examiner indicates that <u>claims 3-16</u> would be allowable if rewritten to overcome the § 112(2nd) rejections and in independent form. Applicant rewrites claim 3 (as suggested) to

capture allowable subject matter. The Examiner should allow claim 3 in the next Patent Office paper. The Examiner should also allow claims 4-16 by virtue of their dependencies from allowable claim 3.

III. Claim Rejections on Prior Art Grounds:

The Examiner rejects <u>claims 1, 2, and 17</u> under 35 U.S.C. § 102(b) as being anticipated by U.S. 5,070,677 to Hicks ("Hicks"). Applicant respectfully traverses this rejection in view of the following remarks.

Claim 1, which is amended for clarification, recites (among other things) that the cutting/stacking means is for forming said sheets by cutting continuous sheet at a "regular length," and that the covered sheet stack producing means is "for covering at least a portion of a top or bottom surface of said stacked sheets with a protective cover." An exemplary embodiment of these features is discussed throughout the specification. At least these feature, in combination with the other limitations recited in claim 1, are not taught or suggested by the prior art relied upon by the rejection grounds.

The rejection grounds assert that Hicks teaches each and every feature of the invention recited in claim 1. In so doing, the rejection grounds respectively compare Hicks' cutter substation 60 and collating substation 62 to the cutting/stacking means and the covered sheet stack producing means of the present invention. This rejection position is not convincing for the following reasons.

Hicks does indicate that the cutter substation 60 cuts a photographic paper 77 (which is unwound from a continuous roll 76) at predetermined positions. However, the photographic paper 77 is <u>not</u> cut at "regular lengths," as required by claim 1. The Examiner's attention is respectfully directed to Fig. 8 of Hicks. Here, the photographic paper 77 is cut along cut lines 103 to separate the photographic paper into individual frames 100, 101, 102. These cut lines 103 are spaced apart from each other at different distances. Indeed, the right most frame 102 is longer than the other two frames 100, 101.

Turning to the next point, and with reference to Fig. 2, the collating substation 62 includes a first gate 120 that prevents the movement of cut sheets (which are delivered from the upstream print cutter 60) until the desired batch has been collated. Once the batch is completed, the first gate 120 is retracted to allow the batch of sheets to progress to the second gate 130 depicted in Fig. 3. At this point, and with further reference to Fig. 3, an auxiliary product feed device 140 supplies additional materials 144 to be packaged with each batch 50. However, in sharp contrast to the present invention, the collating substation 62 does not cover the batch 50 with a "protective cover," as required by claim 1.

In summary, Applicant respectfully asserts that claim 1 recites features that are altogether missing from Hicks, and therefore the Examiner is respectfully requested to reconsider and remove the raised anticipation rejection.

Applicant respectfully asserts that claim 1 is patentable, and that claims 2 and 17 are patentable at least by virtue of their dependencies.

AMENDMENT UNDER 37 C.F.R. § 1.111 U.S. Appln. No. 10/042,381 (*Q68032*)

In view of the above, reconsideration and allowance of this application are now believed to be in order, and such actions are hereby solicited. If any points remain in issue which the Examiner feels may be best resolved through a personal or telephone interview, the Examiner is kindly requested to contact the undersigned at the telephone number listed below.

The USPTO is directed and authorized to charge all required fees, except for the Issue Fee and the Publication Fee, to Deposit Account No. 19-4880. Please also credit any overpayments to said Deposit Account.

Respectfully submitted,

Registration No. 41,060

SUGHRUE MION, PLLC

Telephone: (202) 293-7060

Facsimile: (202) 293-7860

WASHINGTON OFFICE

23373

PATENT TRADEMARK OFFICE

Date: June 27, 2003